

# Advice Summaries

November 2001

## Campaign

**James Bopp, Jr.**  
**California ProLife Council, Inc.**  
**Dated November 15, 2001**  
**Our File Number: I-01-158**

Payments made to an organization to fund express advocacy need not be reported under § 85310(b) except insofar as payments by a single person total \$5,000 or more. Expenditures on an organization's voter guide are not made "at the behest of" candidates who respond to a survey from the organization regarding their positions on issues.

**Russell H. Miller, General Counsel**  
**The Lincoln Club of Northern CA**  
**Dated November 15, 2001**  
**Our File Number: A-01-168**

Contributions to political action committees (PACs) or general purpose committees are limited to \$5,000 per person per calendar year, even for purposes of supporting candidates for statewide elective office prior to November 6, 2002.

**Senator Thomas McClintock**  
**California State Senate**  
**Dated November 7, 2001**  
**Our File Number: G-01-227**

General advice addressing an upcoming secession vote in the City of Los Angeles. A copy of the staff memorandum prepared for the Commission regarding complex issues surrounding the interplay between the Act's reporting requirements and secession groups is provided for review.

**David L. Gould, Treasurer**  
**David L. Gould Company**  
**Dated November 9, 2001**  
**Our File Number: G-01-240**

A question concerning prior decisions to create separate officeholder committees relates to past conduct. The Act does not respond to such requests, as specified in regulation 18329(b)(8). *Hicks* Advice Letter, I-99-120 advises requestor how local officeholders may provide for an officeholder account under the provisions of the Government Code section 85201, however, it does not represent an analysis of any past conduct, nor of any laws pertaining to Proposition 34 and local ordinances.

**David L. Gould, Treasurer**  
**David L. Gould Company**  
**Dated November 14, 2001**  
**Our File Number: A-01-241**

Campaign committees originally formed for elections held prior to January 1, 2001, but which were redesignated for elections held after January 1, 2001, are subject for the contribution limits of sections 85301 and 85302. Campaign committees that were originally formed for elections held prior to January 1, 2001, but which were redesignated for elections held after January 1, 2001, may not be redesignated for elections held prior to January 1, 2001.

**Allen Erenbaum**  
**Mayer, Brown & Platt**  
**Dated November 28, 2001**  
**Our File Number: I-01-242**

A general purpose committee with an honorary chair who is an elected official is not necessarily a candidate controlled committee, if the honorary chair does not have voting authority on the committee's decision-making body, and does not otherwise significantly influence the committee's decisions.

**Larry McConnell**  
**Sonoma County Alliance**

PAC funds may be used to reimburse the PAC's sponsor for certain administrative costs, as long as they are reasonably related to a political,

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Dated November 7, 2001  
Our File Number: A-01-245

## Conflicts of Interest

David Rendon  
City of Arvin  
Dated November 16, 2001  
Our File Number: I-01-185

Michael D. Martello  
City of Mountain View  
Dated November 1, 2001  
Our File Number: A-01-214

Lee D. Morhar  
CA Department of Child Support  
Services  
Dated November 9, 2001  
Our File Number: I-01-224

Anthony Manzoni  
College of the Desert  
Dated November 7, 2001  
Our File Number: I-01-228

Jeffrey G. Green, County Counsel  
Mariposa County  
Dated November 1, 2001  
Our File Number: I-01-238

Steven L. Dorsey, City Attorney  
City of San Marino  
Dated November 27, 2001  
Our File Number: A-01-244

Steven T. Mattas  
City of Milpitas  
Dated November 7, 2001

legislative or governmental purpose.

A reserve police officer for the City of Arvin may apply to be on the approved towing list and sell the services of his towing business to the police department so long as he does so in the same manner as any other member of the general public.

If the financial effect of the city council's decisions regarding the acquisition through eminent domain proceedings of real property owned by a Fortune 500 corporation will not fulfill the relevant materiality standards, then a city council member who owns stock in the corporation valued at less than \$25,000 may participate in the decisions.

A public official may not make, participate in making or influence agency policy decisions if they are interlinked with and will ultimately affect an agency contract for which her economic interest submits a proposal.

This letter generally discusses whether a public official is prohibited from purchasing an interest in a lease where his agency is the lessee. The letter indicates that while the Political Reform Act would not prohibit this, Government Code § 1090 may be implicated.

A member of the board of supervisors, whose spouse is employed by a competitor of a company applying to develop a resort, may participate in the consideration of, and decision on, the application if, after applying the appropriate materiality standard, he or she determines that it would not result in a reasonably foreseeable material financial effect on his or her economic interest.

This letter applies the conflict-of-interest rules in the context of two city council members who have residences near the business core of the city. The city is considering building a parking structure to alleviate the commerce-related parking burden on nearby residential areas.

A city council member may not make or participate in making decisions involving potential citizen complaints against his former employer because such decisions will have a reasonably foreseeable material financial effect on his

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**Our File Number: I-01-248**

**Mayda C. Winter, Councilmember  
City of Imperial Beach  
Dated November 26, 2001  
Our File Number: A-01-250**

**Elizabeth B. Hearey  
Regional Training Institute  
Dated November 27, 2001  
Our File Number: A-01-251**

**John W. Wade  
Richmond Fire Department  
Dated November 21, 2001  
Our File Number: I-01-256**

**Dave Todd  
City of Fresno  
Dated November 27, 2001  
Our File Number: A-01-258**

**Anthony J. La Bouff  
County of Placer  
Dated November 15, 2001  
Our File Number: I-01-265**

**Leslie E. Murad, II  
City of Redlands  
Dated November 29, 2001  
Our File Number: A-01-267**

**Michael A. Sass  
Sonoma County Aviation  
Commission  
Dated November 20, 2001  
Our File Number: A-01-271**

economic interest in his former employer as a source of income.

This letter discusses the propriety of a city council member's participation in consideration of a vacation rental property ordinance in light of the official's interest in a business located near the city.

A regional training institute, established as an auxiliary organization to a community college district, is a "local public agency" under the Act. Whether the institute should have a separate conflict of interest code and/or whether its employees must file statements of economic interests are issues that are subject to review by the county as the code reviewing body for the institute.

A public official may participate in contract negotiations with the union that represents her spouse as long as the effect of any decisions on her spouse will not be distinguishable from the decision's effect on all other employees in the spouse's employment classification.

A water conservation supervisor may receive a discount on a water heater that was offered in conjunction with a course that he attended on the subject, because the discount was offered "to members of the public without regard to official status."

Where a member of the board of supervisors sells an insurance policy to a city within the county's jurisdiction, the member may still participate in governmental decisions concerning the city if the decisions will not have a reasonably foreseeable material financial effect on his economic interest in the city as a source of income.

A council member will not have an economic interest in the source of a contribution to her because a contribution required to be reported by Chapter 4 of the Act does not constitute "income" to her. However, section 84308 may apply.

The Act only prohibits making, participating in making and influencing governmental decisions in cases where an official has a conflict of interest. Thus, so long as the official does not make, participate in making, or influence any decision financially affecting his economic interests, he will not have violated the conflict-of-interest provisions of the Act.

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**Helen R. Flowerday, City Clerk**  
**City of Daly City**  
**Dated November 27, 2001**  
**Our File Number: I-01-277**

## Gifts

**G. Michael Gilliland**  
**Accenture LLP**  
**Dated November 16, 2001**  
**Our File Number: A-01-225**

**D. Richard Rudolf**  
**Valley Center Community Planning**  
**Group**  
**Dated November 28, 2001**  
**Our File Number: A-01-229**

**Letitia Pepper**  
**Pepper for Mayor**  
**Dated November 26, 2001**  
**Our File Number: A-01-255**

## Revolving Door

**Ann Watson**  
**CA Public Utilities Commission**  
**Dated November 8, 2001**  
**Our File Number: A-01-220**

## SEI

**John Sulpizio, Port Director**  
**Port of Sacramento**  
**Dated November 14, 2001**

There is nothing in the Act that would prohibit an individual from holding two public positions concurrently, although other laws may apply. The Act, which applies to any public official in the state, only prohibits a public official from making, participating in making, or influencing a decision that will have a financial effect on his or her economic interests.

There is no prohibition under the gift provisions of the Act against a company donating a valuable gift package to be raffled off among all state employees donating to the United Way. This is because the raffle is a bona fide competition, and the gift package will be awarded to an employee "without regard to official status."

The acceptance of light airplane rides by members of a community planning group to observe patterns of development to assist them in updating a general plan is not a reportable gift because it falls under the "information tours" exception of the Act.

The service credit a state employee receives from the State of California as part of an approved leave of absence is not a gift from the state to the employee, but is a part of an approved compensation package under the union contract with the state.

Former legal and electricity advisor to Commissioner of the Public Utilities Commission did not "participate" in the PG&E bankruptcy proceeding while employed by the PUC so as to preclude her from giving advice to PG&E's bankruptcy attorneys regarding the regulatory scheme governing utilities in the context of the PG&E bankruptcy proceeding under the permanent ban. However, advisor to PUC is still subject to one year ban.

The jurisdiction of a port district is all the land within its geographical boundaries, as well as any real property that has been acquired by eminent

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**Our File Number: A-01-212**

domain or other means. For purposes of financial disclosure, real property or any part of it that is within, or not more than two miles outside the boundaries of the port district, or other real property acquired or used by it, is deemed to be within its jurisdiction.

**Eric Grant  
Bill Simon for Governor  
Dated November 27, 2001  
Our File Number: A-01-232**

Where a candidate's pro rata share in a business entity exceeds 10%, his interests therein must be reported on Schedule A-2 of his Statement of Economic Interests (SEI), along with each of the business entity's investments and any real property owned by the business entity.